GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1865
ANSWERED ON:05.05.2016
Power Tariff Costs
Raghavan Shri M. K.

Will the Minister of POWER be pleased to state:

(a) whether the power generation projects are facing prohibitive tariff costs as well as lack of assured fuel supplies and if so, the details thereof;

(b) the factors leading to such a scenario and the remedial measures being taken by the Union Government to make the power sector more viable and production oriented; and

(c) the steps being taken by the Union Government to re-generate the stalled projects in the power sector indicating the time frame and the output expected from these projects, State/UT-wise?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL AND NEW & RENEWABLE ENERGY

(SHRI PIYUSH GOYAL)

(a) & (b) : Coal based thermal power stations with Fuel Supply Agreements (FSAs) are having assured coal supply. However, as on 31.03.2016, coal based Thermal Units of about 13000 MW out of the total installed capacity of about 1,85,000 MW do not have coal linkages.

Gas based generating projects in the country are facing deficit in availability of domestic gas for gas-based power projects and most of the gas-based power plants are operating at a very low Plant Load Factor (PLF).

Government has notified a Scheme on 27.03.2015 for utilization of gas based power generation capacity in the country by supply of Spot RLNG (e-bid RLNG) to both stranded power plants and plants receiving domestic gas, for generation upto target PLF, selected through a reverse e-bidding process. Three rounds of auction have been completed under this Scheme.
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(c) : Following measures have been taken by the Government to ensure availability of coal to power plants:

(i) Multi-dimensional efforts are underway by Coal India Ltd. (CIL) to enhance production of domestic coal.

(ii) After the cancellation of 204 coal blocks by Hon'ble Supreme Court, Government has ensured re-allocation of 47 blocks to power sector through auction/allotment till date.

(iii) Separate e-auction window for power sector has been started by Coal India Ltd. (CIL) for providing coal to thermal power projects including stressed projects having no linkages or Power Purchase Agreements (PPAs).

(iv) Coal supply to Projects getting coal on Memorandum of Understanding (MoU) basis, has been extended upto June 2016.

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